

NVIDIA CORP
Form 10-Q
August 22, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the quarterly period ended July 29, 2012

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

Commission file number: 0-23985

NVIDIA CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

94-3177549
(I.R.S. Employer
Identification No.)

2701 San Tomas Expressway
Santa Clara, California 95050
(408) 486-2000

(Address, including zip code, and telephone number,
including area code, of principal executive offices)

N/A

(Former name, former address and former fiscal year if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes Q No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes Q No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Accelerated filer o

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Large accelerated filer x

Non-accelerated filer o (Do not check if a smaller reporting company) Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes o No Q

The number of shares of common stock, \$0.001 par value, outstanding as of August 17, 2012, was 619,476,242 .

NVIDIA CORPORATION
 FORM 10-Q
 FOR THE QUARTER ENDED July 29, 2012

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

NVIDIA CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

(In thousands, except per share data)

	Three Months Ended		Six Months Ended	
	July 29, 2012	July 31, 2011	July 29, 2012	July 31, 2011
Revenue	\$1,044,270	\$1,016,517	\$1,969,147	\$1,978,556
Cost of revenue	503,551	491,233	965,064	968,769
Gross profit	540,719	525,284	1,004,083	1,009,787
Operating expenses				
Research and development	281,193	247,721	565,095	479,245
Sales, general and administrative	119,903	103,533	226,539	201,650
Total operating expenses	401,096	351,254	791,634	680,895
Income from operations	139,623	174,030	212,449	328,892
Interest income	5,316	5,266	10,514	10,579
Other income (expense), net	269	(1,749)	(660)	(5,439)
Income before income tax expense	145,208	177,547	222,303	334,032
Income tax expense	26,162	25,974	42,820	47,240
Net income	\$119,046	\$151,573	\$179,483	\$286,792
Basic net income per share	\$0.19	\$0.25	\$0.29	\$0.48
Shares used in basic per share computation	618,996	601,340	617,388	598,077
Diluted net income per share	\$0.19	\$0.25	\$0.29	\$0.47
Shares used in diluted per share computation	623,143	613,934	623,397	615,552

See accompanying Notes to Condensed Consolidated Financial Statements.

NVIDIA CORPORATION AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 (UNAUDITED)
 (In thousands)

	Three Months Ended		Six Months Ended		
	July 29, 2012	July 31, 2011	July 29, 2012	July 31, 2011	
Net income	\$ 119,046	\$ 151,573	\$ 179,483	\$ 286,792	
Net change in unrealized gains on available-for-sale securities	1,111	3,871	1,009	5,079	
Less: reclassification adjustments for net realized gains on available-for-sale securities included in net income	(208) (320) (340) (401)
Income tax expense related to net unrealized and net realized gains on available-for-sale securities	(191) (238) (124) (515)
Other comprehensive income, net of tax	\$ 712	\$ 3,313	\$ 545	\$ 4,163	
Total comprehensive income	\$ 119,758				